

## **Ulster Bank Progress on Phased Withdrawal: Non-Binding MOU Agreed with Permanent TSB**

### **MOU Covers Performing Non-Tracker Mortgages, Micro-SME Performing Loans, Ulster Bank's Lombard Asset Finance business and 25 Ulster Bank Branches**

#### **Principle of TUPE will apply**

Today (23 July 2021), Ulster Bank announces an update on its phased withdrawal process, as confirmed on 19 February 2021 and further to our [colleague/ union agreement](#) announced on 11 June and the [binding agreement with AIB](#) announced on 28 June.

Ulster Bank in the Republic of Ireland and NatWest Group plc have agreed a non-binding MOU with Permanent TSB plc ("Permanent TSB") for the proposed sale of a perimeter comprising performing non-tracker mortgages; performing loans in our micro-SME business; Ulster Bank's Lombard Asset Finance business, including the Lombard digital platform and a subset of Ulster Bank branch locations. The proposed perimeter will include a total of approximately €7.6bn gross performing loans as at 31 March 2021, the majority relating to non-tracker mortgages and PTSB are designated to acquire 25 of Ulster Bank's 88 branch locations (list appended). This non-binding MOU is subject to further due diligence, the negotiation and completion of a final binding agreement and the obtaining of regulatory approvals and satisfying other conditions. The proposed sale may not complete on the terms contemplated in the MOU, when envisaged by the MOU, or at all.

The principle of TUPE will apply to colleagues wholly or mainly assigned to the agreed in-scope perimeter, including colleagues in the branch locations which are designated to be acquired by Permanent TSB. A detailed assessment to identify colleagues anticipated to have a right to transfer under TUPE will be completed, however it is proposed that approximately 400-500 colleagues will have a right to transfer under TUPE, if and when the transaction is completed, and relevant approvals are obtained.

As part of the consideration for the proposed transaction, it is proposed that NatWest Group would receive a minority non-consolidating equity stake in Permanent TSB.

There are other customers and customer products which are not covered by today's announcement and we will update on those as appropriate. While performing tracker mortgages are not part of today's MOU, Ulster Bank and NatWest Group are working on a similar pathway for these customers with strategic banking counterparties. We will update in due course on this.

While there is no change for customers today, over the coming months we will make a series of changes for our customers as we implement our phased withdrawal. We will proactively contact customers when they need to move bank and/ or close accounts. We will ensure that customers have ample time/ notice periods as well as the support they need to complete the process. As part of this, our commitment remains that we will not close any branches in 2021, and we do not anticipate closing any branches in H1 2022. Branches will continue to play an important role and in

H2 2022 we will begin to phase out traditional counter/ cash services to concentrate on in-person support to move bank and/ or close accounts.

We understand that choosing and moving to a new bank is a process that customers may wish to commence now and we are already talking to customers who are considering their options. We are ready to help those who have chosen their new bank, our branch and telephony teams are ready to support customers with the move and/ or close process.

Ulster Bank Chief Executive Jane Howard said:

*“Today we announce a significant update to our phased withdrawal process. We have advanced negotiations to a non-binding MOU with Permanent TSB for the proposed sale of a €€7.6bn perimeter of performing non-tracker mortgages and the performing loans in our micro-SME business and Ulster Bank’s Lombard Asset Finance business, including the Lombard digital platform and 25 Ulster Bank branch locations.*

*“Our agreement includes the proposed right to transfer under TUPE of c400-500 colleagues, those wholly or mainly assigned to the perimeter, including the colleagues associated with the 25 branches. The final, exact roles cannot be confirmed until the transaction progresses further, but we will continue to work with our colleagues and their representatives to manage this process in a fair and responsible manner. Our agreement remains subject to further due diligence, assessment and relevant approvals and may not result in a transaction.*

*“Today’s agreement with PTSB, will provide a good solution for these customers and colleagues, building on our recently announced agreement with AIB. We remain in talks to find a similar constructive solution for our performing tracker mortgage portfolio. We expect, in the coming months to have further updates to make to customers and colleagues on progress including on other products and services which are not covered by today’s announcement. In the meantime, I would like to recognise and thank colleagues for their continued support of each other and dedication to our customers.”*

Ends.

### **Forward-looking statements**

This document contains forward-looking statements such as statements that include, without limitation, the words 'expect', 'estimate', 'project', 'anticipate', 'commit', 'believe', 'should', 'intend', 'will', 'plan', 'could', 'probability', 'risk', 'target', 'goal', 'objective', 'may', 'endeavour', 'outlook', 'optimistic', 'prospects' and similar expressions or variations on these expressions. These statements concern or may affect future matters, such as UBIDAC's future economic results, business plans and strategies. Forward-looking statements are subject to a number of risks and uncertainties that might cause actual results and performance to differ materially from any expected future results or performance expressed or implied by the forward-looking statements. Factors that could cause or contribute to differences in current expectations include, but are not limited to, the impact of the Covid-19 pandemic, future acquisitions or divestments, the outcome of legal, regulatory and governmental actions and investigations, legislative, political, fiscal and regulatory developments, accounting standards, competitive conditions, technological developments, interest and exchange rate fluctuations and general economic and political conditions. These and other factors, risks and uncertainties that may impact

the above, and any forward-looking statement or actual results are discussed in UBIDAC's 2020 Annual Report and Accounts (including its Principal Risks and Uncertainties). The forward-looking statements contained in this document speak only as of the date of this document and does not assume or undertake any obligation or responsibility to update any of the forward-looking statements contained in this document, whether as a result of new information, future events or otherwise, except to the extent legally required.

Notes to Editor:

List of 25 Ulster Bank branches included in the non-binding MOU:

	<b>County</b>	<b>Branch</b>
1.	Cavan	Ballyconnell
2.	Cavan	Ballyjamesduff
3.	Clare	Shannon
4.	Cork	Wilton
5.	Donegal	Ballybofey
6.	Donegal	Buncrana
7.	Donegal	Donegal (town)
8.	Donegal	Killybegs
9.	Dublin	Blackrock
10.	Dublin	Blanchardstown
11.	Dublin	Lucan
12.	Dublin	Ranelagh
13.	Dublin	Rochestown Ave
14.	Dublin	Swords Pavilions
15.	Galway	Athenry
16.	Galway	Eyre Square
17.	Galway	Tuam
18.	Kildare	Celbridge
19.	Kildare	Kilcock
20.	Louth	Ardee
21.	Mayo	Belmullet
22.	Mayo	Westport
23.	Meath	Trim
24.	Tipperary	Thurles
25.	Wexford	Enniscorthy